

VZCZCXRO0728
OO RUEHAG RUEHROV
DE RUEHBS #3251 2991707
ZNY CCCCC ZZH
O 261707Z OCT 07
FM USEU BRUSSELS
TO RUEHC/SECSTATE WASHDC IMMEDIATE
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE IMMEDIATE
RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE
RUCNDT/USMISSION USUN NEW YORK IMMEDIATE

C O N F I D E N T I A L BRUSSELS 003251

SIPDIS

SIPDIS

STATE PASS TREASURY

E.O. 12958: DECL: 10/26/2017

TAGS: [PREL](#) [KNNP](#) [IR](#) [PARM](#) [EFIN](#) [EUN](#)

SUBJECT: EU CONSIDERS NEXT MOVES ON IRAN-- OURS AND THEIRS

REF: SECSTATE 148605

Classified By: Laurence Wohlers, Political Minister Counselor for reasons 1.5(d) and (e)

THIS IS AN ACTION REQUEST. PLEASE SEE PARA 3.

SOLANA,S MAN CHECKS IN WITH EU-27

11. (C) On October 26, Council Secretariat Director General Robert Cooper briefed the 27 EU PSC Ambassadors on the Solana-Larijani meeting in Rome on October 23. According to a Council Secretariat desk officer (protect) who was present at the PSC briefing, Cooper reported on the talks in general terms rather than in specific detail. The bottom line was that the Iranians had made no progress on substance of the issues, that their cooperation with the IAEA was inadequate to date, and that in any case they would not/not be rewarded for fulfilling a long-standing obligation to the international community. Cooper said Solana had also highlighted the fact that if Iran were only interested in developing a civilian nuclear capability, the way forward would be through acceptance of the P5 1 package. Cooper told Member States that he was mystified by the sudden elevation⁸ of Jalili as the &lead⁸ Iranian negotiator and solicited others, assessments of this development. Some Member States surmised that the sudden change in Iranian choreography was related to Larijani,s perhaps ill-advised public remarks on Putin,s &new offer⁸ on the nuclear issue during the latter,s recent visit to Tehran.

PORTUGUESE &OPTIONS PAPER⁸ SURPRISE

12. (C) In response to Cooper,s briefing, the French concluded that Iran had not fulfilled its obligations and was continuing to isolate itself from the international community on the nuclear issue. Consequently, the EU should send a strong message to Tehran that it was considering further measures. Sweden, Ireland, and the Netherlands probed for more details of the Solana talks. On a question from Spain about Solana,s forthcoming report to the P5 1, Cooper demurred as to whether it would in written or oral form, but noted that the benchmark for a &positive⁸ report would remain suspension of enrichment and reprocessing activities. Toward the end of the meeting, the Portuguese EU Presidency surprised PSC Ambassadors by announcing that it had just formally circulated an &options paper⁸ to the 27 Permreps on EU next steps in relation to Iran. Some in the room, including the UK, were incensed by the Portuguese action, noting that there had been an informal understanding that the Council Secretariat was to have produced the first draft of the paper for the Presidency,s comment, and not to have competing texts. (Note: USEU is seeking to obtain a copy of the Portuguese

paper from Council sources.)

QUESTIONS ABOUT NEW USG SANCTIONS

13. (C) PSC Ambassadors asked Cooper and Commission officials present at the meeting for a preliminary assessment of the impact of new US sanctions against Iran on EU interests. Several member states expressed concern about the possible extraterritorial implications of U.S. designations. Others wondered aloud about the extent of U.S. efforts to persuade foreign subsidiaries of American companies and Gulf states, such as the UAE, to curb dealings with Iran. Cooper and Commission officials said they would need more time to study U.S. actions before assessing potential impact. ACTION REQUEST: Post requests Department views on the feasibility of arranging an informational briefing via DVC for Commission and Council Secretariat experts on the new U.S. designations of Iranian entities and individuals. Such a briefing could help address institutional concerns about U.S. actions and foster support for parallel) and technically compatible --European efforts. END ACTION REQUEST.
GRAY
.